

STATE OF HAWAII
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
Leasing Services Branch
Honolulu, Hawaii 96813

May 26, 2006

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

Oahu

RESUBMITTAL - Issuance of Lease from Department of Accounting and General Services, Lessor, to Washington Place Foundation, Lessee, for a portion of Washington Place, Honolulu, Oahu, TMK: (1)2-1-18:1.

APPLICANT:

Washington Place Foundation, P.O. Box 873, Honolulu, Hawaii 96808.

LEGAL REFERENCE:

Sections 171-11 and 171-43.1, Hawaii Revised Statutes, as amended, and Executive Orders No. 535 and 1429.

LOCATION:

Portion of Washington Place, Honolulu, Oahu, TMK: (1)2-1-18:1, as shown on the attached map labeled Exhibit A.

AREA:

Second floor, co-located with the Washington Place Curator's office, not to exceed 400 square feet, as shown on the attached map labeled Exhibit B.

ZONING:

State Land Use District: Urban
City & County of Honolulu LUO: A-2 Medium Density Apartment

TRUST LAND STATUS:

Section 5(a) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State
Constitution: YES ___ NO X

CURRENT USE STATUS:

Governor's Executive Orders No. 535 and 1429 to Department of Accounting and
General Services for gubernatorial home for the Governors of Hawaii.

CHARACTER OF USE:

The Lessee shall use or allow the leased premises to be used solely for the following
specified purposes: office space to be used while conducting activities related to the
Washington Place Foundation.

COMMENCEMENT DATE:

June 1, 2006

TERM OF LEASE:

Ten (10) years

MONTHLY RENTAL:

Gratis.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

Dept. of Accounting and General Services shall be responsible for ensuring compliance
with Chapter 343, HRS.

DCCA VERIFICATION:

Place of business registration confirmed: YES X NO ____
Registered business name confirmed: YES X NO ____
Applicant in good standing confirmed: YES X NO ____

REMARKS:

The Land Board at its meeting on April 28, 2006 deferred this agenda item (M-6) per request from the Department of Accounting and General Services. This request is now being resubmitted for approval.

The Washington Place site became the official residence of the State's governors, while serving their gubernatorial terms, on May 25, 1932, when territorial governor, the Honorable Lawrence M. Judd, signed Executive Order No. 535 setting aside the subject site to the Department of Public Works, now the Department of Accounting and General Services "as a Gubernatorial Home for the Governors of Hawaii..." The Department of Accounting and General Services (DAGS) maintains the grounds and improvements.

On November 15, 2002, under Agenda Item D-16, the Board of Land and Natural Resources (Board) consented to a lease from DAGS to Washington Place Foundation. Under the lease, Washington Place Foundation raised over \$1 million and constructed a separate governor's residence, located directly behind the historic governor's residence to allow for enhanced preservation and public access.

Washington Place Foundation (Foundation) was organized as a domestic non-profit corporation of the State of Hawaii in 1999 for the express and exclusive charitable and educational purposes of (1) educating the public of the role and importance of Washington Place in Hawaii's history, and (2) preserving and restoring Washington Place.

The Foundation's more specific objectives include stimulating interest among all citizens in Hawaii's history and the role Washington Place has played, through its residents and guests, in shaping Hawaii's history; assisting with all aspects of the historic research, preservation and restoration of Washington Place; encouraging individuals, private organizations, and public agencies to assist with historic research, preservation and restoration of Washington Place; organizing tours and group events of Washington Place to further these purposes and objectives; and seeking, encouraging, receiving and managing funds, furnishings, and equipment necessary for the preservation and restoration of Washington Place and the furtherance of these purposes and objectives. DAGS supports the efforts of the Foundation in these endeavors.

The Foundation seeks office space from which it can conduct the activities and efforts stated above in order to achieve its objectives. The Foundation seeks a lease of office

space, to be co-located with Washington Place curator's office, to be used as the main office of the Foundation.

RECOMMENDATION:

Authorize the issuance of a lease to the Washington Place Foundation under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:

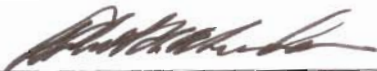
- a. The standard terms and conditions of the most current lease form, as may be amended from time to time;
- b. Review and approval by the Department of the Attorney General; and
- c. Such other terms and condition as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully submitted,



RUSS K. SAITO
State Comptroller

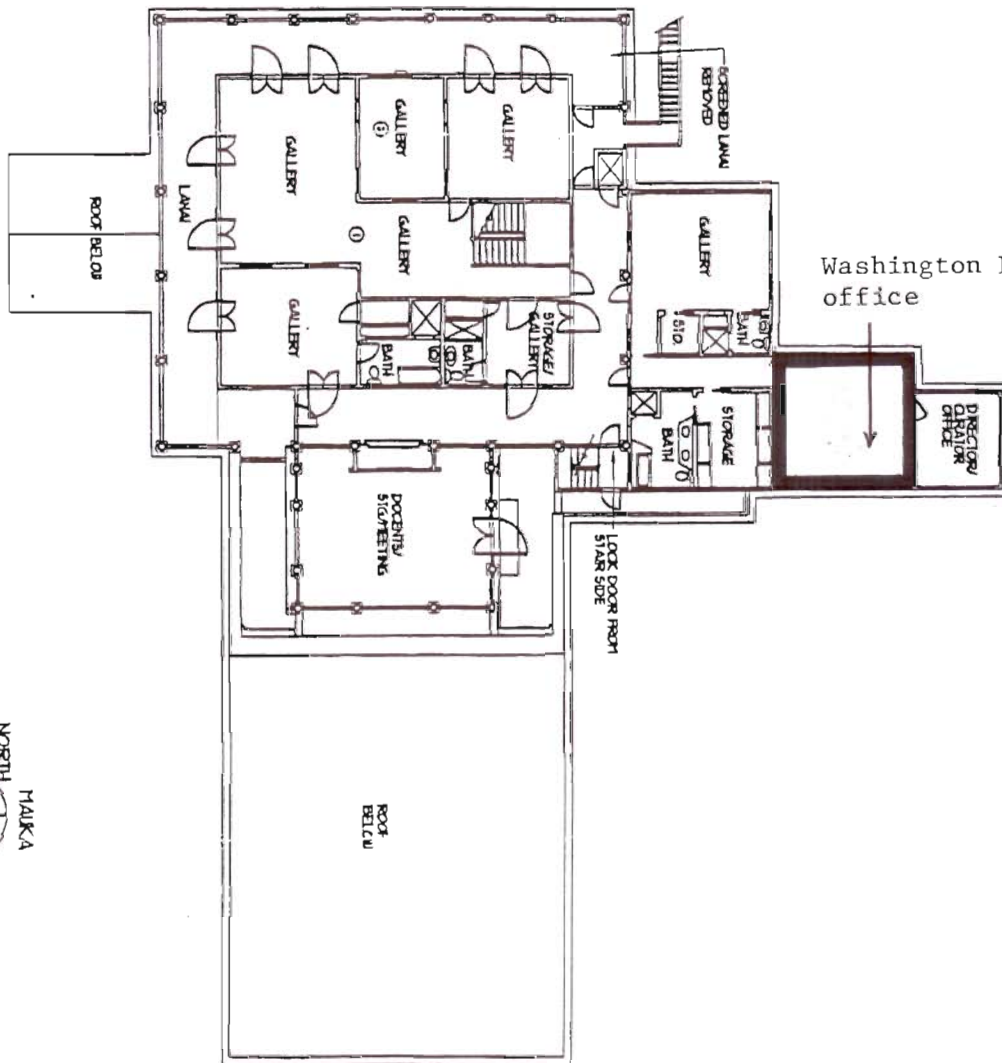
APPROVED FOR SUBMITTAL:



Peter T. Young, Chairperson

EXHIBIT A

SECOND FLOOR PLAN



Washington Place Fnd.
office